

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
JUNE 19, 1997

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, June 19, 1997. Members present were Messrs. Mark Hasten, Chairman; Norman L. Lowery, Gary M. Smith, Ronald E. Depasse, Richard J. Rice, and Tony Zaleski. Also present from the Department were Charles W. Phillips, Director; J. Philip Goddard, Chief Counsel, Deputy Director, Non-Depository Institutions and Secretary; Randall L. Rowe, Supervisor, Bank Division; Kirk J. Schreiber, Bank Analyst; Gina R. Williams, Bank Analyst; Mark K. Powell, Supervisor, Credit Union Division; Mark Tarpey, Division Supervisor, Consumer Credit Division; and Ronda Bailey, Administrative Secretary. Representing Bedford Independent Federal Credit Union were: George McNichols, CEO & President, Joseph Ward, Vice President of Finance and Dean Pielemeier, Vice President of Member Services. Board Member W. Paul Wolf was absent.

I. PUBLIC SESSION

- A.) Attendance
- B.) Date of next meeting: August 14, 1997 at 9:00 a.m., EST.
- C.) A motion was made for approval of the minutes of the meeting held May 8, 1997 by Mr. Zaleski and seconded by Mr. Depasse. The minutes were unanimously approved, subject to the correction under Director's Comments and Request, page (5) sec (B). The motion reflects the approval of fee reductions only but should have also included the fee schedule for the fiscal year of 7-1-97 to 6-30-98. Correction was made and will reflect in the official minute book.

DIVISION OF BANK AND TRUST COMPANIES

1.) First Eldorado Bancshares, Inc., Eldorado, Saline County, Illinois

This application was presented by Ms. Gina R. Williams, Senior Bank Analyst. First Eldorado Bancshares, Inc., ("First Eldorado") has applied to the Members of the Department, pursuant to IC 28-2-16, for approval to acquire 100% control of Dana Bancorp, Inc., ("Dana"), Dana, Vermillion County, Indiana, and thereby acquire it's only subsidiary, the First National Bank of Dana, Dana, Vermillion County, Indiana.

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Ms. Williams informed the Members that First Eldorado is a one bank holding company whose subsidiary is the First State Bank of Eldorado, ("FSB"), Eldorado, Saline County, Illinois. As of March 31, 1997, First Eldorado had consolidated total assets of approximately \$71 million, consolidated deposits of \$58 million and total equity capital of \$7.9 million. First Eldorado received a satisfactory BOPEC rating at its most recent inspection conducted by the Federal Reserve of St. Louis.

FSB received a satisfactory CAMEL rating at its most recent safety and soundness examination dated October 7, 1996. As of December 31, 1996, First State Bank reported net income to average assets of 1.52% and a Tier 1 leverage capital ratio of 9.53%. The bank also received a satisfactory CRA rating when last examined for compliance with the Community Reinvestment Act.

On a pro forma basis as of July 1997, First Eldorado would have consolidated total assets of \$92 million, and total equity capital of \$10 million. Tier 1 capital to total assets would be 11.5%. Ms. Williams informed the Members that First Eldorado has committed to inject \$1,500,000 into First National Bank of Dana.

With respect to management, the board of directors and officers of Dana and First National Bank of Dana will be filled by individuals who are currently directors and officers of First Eldorado and FSB. Thomas A. Cheek will also serve as a director and interim President.

The Office of Banks and Real Estate in Illinois, the primary regulator of The First State Bank of Eldorado, has provided the Department a letter which states that Thomas Cheek is an experienced banker and known to the Office of Banks and Real Estate. He is considered capable of overseeing the operations of a small community bank. After reviewing the application, the Office of Banks and Real Estate does not object to the proposed transaction.

In addition, Ms. Williams reported that the Office of the Comptroller of the Currency, the primary regulator of First National Bank of Dana, is going to issue a no comment letter. This transaction will result in the First National Bank of Dana having a source of strength in First Eldorado.

The Federal Reserve will act on this application no later than July 15, 1997.

Ms. Williams informed the Members that the staff had determined that the factors listed in IC 28-2-16-17 had been satisfied and therefore recommended approval.

Mr. Phillips reiterated that the State of Illinois is the primary regulator of The First State Bank of Eldorado and the Federal Deposit Insurance Corporation is the federal regulator. No application to change the charter of FNB has been filed, therefore, the OCC will continue to be its primary regulator.

Mr. Zaleski asked if the services provided by FNB would be diminished or if any employees would lose their jobs. Ms. Williams indicated that with the acquisition, First National Bank should be able to offer more services and the only changes in employment anticipated are officers and directors would initially be comprised of officers and directors of Bancshares and FSB.

Mr. Rice asked why the Department would deny this kind of application. Mr. Phillips indicated it could be denied if the out of state acquiring institution had a questionable reputation that might somehow damage the citizens of Indiana and the customers of the bank.

A motion for approval of the application was made by Mr. Smith and seconded by Mr. Rice. The application was unanimously approved.

2.) Review of the method and form for filing Semi-Annual Call Reports

The staff recommended that the Members eliminate the requirement for federally insured state-chartered depository institutions to file a hard copy of the call report with the Department on a semi-annual basis beginning June 30, 1997. Mr. Phillips explained the staff of the Department of Financial Institutions will utilize electronic call report data on insured depository institutions that is provided by the federal regulatory agencies. **Mr. Depasse made a motion to adopt the change in the proposed manner in which the statements of conditions are filed with the Department and Mr. Lowery seconded the motion. The motion was unanimously approved.**

DIVISION OF CREDIT UNION

1.) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Tech Credit Union (Tech) has applied to the Members of the Department of Financial Institutions for approval of their proposed merger of East Chicago Teachers Credit Union, East Chicago, Lake County, Indiana into Tech Credit Union. This is a voluntary merger being entered into by the Board of Directors of East Chicago Teachers Credit Union due to the loan losses that East Chicago Teachers Credit Union has been experiencing for the past two and one-half years. Further, this merger would allow the East Chicago Teachers Credit Union members to take advantage of the more sophisticated services that are provided by the much larger Tech Credit Union. Mr. Phillips asked a question concerning the number of state chartered credit unions under \$10,000,000.00 in assets. Mr. Powell replied that while he did not have the exact number 30 would be an accurate estimate. Mr. Zaleski then asked how many state chartered credit unions were over \$10,000,000.00 in assets. Mr. Powell replied that he felt that again 30 would be an accurate estimate. Mr. Zaleski then inquired whether the membership of East Chicago Teachers Credit Union was aware of the merger. Mr. Powell

replied that the membership of East Chicago Teachers Credit Union had voted to approve the merger on April 24, 1997. Mr. Smith asked whether the losses experienced by East Chicago Teachers Credit Union were unique to that credit union. Mr. Powell replied that the Credit Union in the past had been too liberal with its lending decisions and had not been as diligent in collecting past due loans as they should have been. Mr. Hasten asked a question concerning the examinations of both Tech Credit Union and East Chicago Teachers Credit Union. Mr. Powell replied that Tech was a recent conversion from federal charter and had undergone an examination at that time. East Chicago Teachers Credit Union was being examined at least quarterly by Department staff. Mr. Hasten asked if Tech was going to absorb the current losses being reflected by East Chicago Teachers Credit Union. Mr. Powell replied that they would be absorbing those losses. Mr. Hasten then asked for an estimate of the amount of loss still to be absorbed by Tech Credit Union. Mr. Powell replied that he felt that that amount was minimal, and that the CEO of Tech Credit Union felt that many of the delinquent loans being carried by East Chicago Teachers Credit Union could be collected by his staff. Mr. Hasten asked whether the two credit unions were in the same geographic area. Mr. Powell replied that they were.

Mr. Smith made a motion for approval which was seconded by Mr. Rice. The motion to approve the voluntary merger of East Chicago Teachers Credit Union into Tech Credit Union was unanimously approved.

2.) INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Indiana Members Credit Union has applied to the Members of the Department of Financial Institutions for approval of their proposed merger of Highway Credit Union, Indianapolis, Marion County, Indiana into Indiana Members Credit Union. This is a voluntary merger being entered into by the Board of Directors of Highway Credit Union due to the loan losses that Highway Credit Union has been experiencing for the past two years and the inability of the credit union to retain sound operational management. Further, this merger would allow the Highway Credit Union members to take advantage of the more sophisticated services that are provided by the much larger Indiana Members Credit Union. Mr. Hasten asked whether the members of Highway Credit Union have approved the merger. Mr. Powell replied that the merger had been approved by a vote taken May 20, 1997. Mr. Hasten then asked if it was accurate to say that the Board of Indiana Members would be in charge of the surviving credit union. Mr. Powell replied that they would be in charge. Mr. Hasten then asked if the employees of the Highway Credit Union would be retained. Mr. Powell replied that they would be retained. Mr. Hasten then asked if the office of Highway Credit Union would remain open. Mr. Powell replied that it would, and that it was possible that in the future Indiana Members Credit Union would have to move to a larger room next door to the Department. Mr. Hasten then pointed out a typographical error in the balance sheet provided by Indiana Members Credit Union. Mr. Powell acknowledged that there was indeed an error in the information provided by Indiana Members Credit Union.

Mr. Lowery made a motion for approval, which was seconded by Mr. Zaleski. The motion to approve the voluntary merger of Highway Credit Union into Indiana Members Credit Union was unanimously approved.

3.) CENTRA FEDERAL CREDIT UNION, COLUMBUS, BARTHOLEMEW COUNTY, INDIANA

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Centra Federal Credit Union (Centra) has applied to the Members of the Department of Financial Institutions for approval of their proposed conversion from a federal to a state charter (the new state chartered credit union will be named Centra Credit Union). Centra is a federal credit union, chartered, regulated, and insured by the National Credit Union Administration (NCUA). As of March 31, 1997, Centra had total assets of \$319 million and total equity capital of \$32 million. The Board of Directors of Centra adopted a resolution on December 16, 1996, which authorized Loretta M. Bird, President of the credit union to pursue all of the necessary regulatory approvals to accomplish a conversion from federal to state charter.

Upon conversion, the provisions of IC 28 applicable to state chartered credit unions will govern Centra. As a state chartered credit union, Centra will be regulated by the Department of Financial Institutions and insured by the National Credit Union Share Insurance Fund. In order to convert to a state chartered credit union, Centra must follow the conversion statutes contained with IC 28 and the Federal Credit Union Act.

Mr. Powell informed the Members that Department staff performed an examination of Centra as of March 31, 1997. The following are the results of this examination:

1. Return on average assets - 1.20%
2. Three year average return on average assets - 1.43%
3. Net capital to assets - 10.07%
4. Delinquent loans to total loans - 0.58%
5. Allowance for loan loss adequately funded at .71% of total loans
6. The investment portfolio is relatively conservative with 96% of the portfolio in various financial institution certificates of deposit or Federal Agency securities.

Overall, Centra was considered to be sound with adequate capital and earnings and minimal asset quality problems. As a result of the examination, Centra was assigned a "Satisfactory" CAMEL rating.

Mr. Powell informed the Members that the most recent external review of Centra performed by George S. Olive & Co. revealed no significant problems.

Mr. Powell informed the Members that the NCUA conducted a full scope examination of

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Centra as of June 30, 1996. As a result of this examination Centra was assigned a "Satisfactory" CAMEL rating by NCUA.

Mr. Powell informed the Members that a review of Centra's CUSO activity had revealed no problems in this area of operations.

Mr. Powell informed the Members that the Department staff determined that the proposed conversion of Centra Federal Credit Union to an Indiana state charter meets the requirements of IC 28-7-1-29. The Department's Report of Examination of the applicant and the investigation by the staff has concluded that the resulting Indiana state chartered credit union will be operated in a safe, sound, and prudent manner.

Based upon the aforementioned findings, the staff recommended that the proposed conversion of Centra Federal Credit Union be approved.

After Mr. Powell's presentation, Mr. Hasten asked a question concerning the lower profitability of Centra during 1996. Mr. Powell replied that the profitability of Centra was down and that it had been his experience that most credit unions profitability for 1996 was down in comparison to profitability in 1994 and 1995. Mr. Hasten then asked a question concerning what Indiana Corporate Federal Credit Union was, who examines Indiana Corporate Federal Credit Union, and what does Indiana Corporate Federal Credit Union invest in. Mr. Powell and Mr. Rice answered all of Mr. Hasten's questions concerning Indiana Corporate Federal Credit Union.

Mr. Rice made a motion for approval which was seconded by Mr. Zaleski. The motion to approve the conversion of Centra Federal Credit Union to an Indiana state charter was unanimously approved.

Prior to the Taper Lock presentation Mr. Hasten asked for Mr. Powell to explain to the Members why the federal credit unions are seeking to convert to state charter. Mr. Powell and Mr. Goddard then gave a short presentation summing up the AT&T Federal Credit Union lawsuit and why the reasoning involved in that lawsuit cannot be applied to Indiana state chartered credit unions because our state statutes are very clear in allowing more than one group to join or form an Indiana state chartered credit union.

4.) TAPER LOCK EMPLOYEES FEDERAL CREDIT UNION, MISHAWAKA, SAINT JOSEPH COUNTY, INDIANA

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Taper Lock Employees Federal Credit Union (Taper Lock) has applied to the Members of the Department of Financial Institutions for approval of their proposed conversion from a federal to a state charter (the new state chartered credit union will be named Taper Lock Credit Union). Taper Lock is a federal credit union, chartered, regulated, and insured by the National Credit Union Administration (NCUA). As of February 28, 1997, Taper Lock had

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total assets of \$23 million and total equity capital of \$2.9 million. The Board of Directors of Taper Lock adopted a resolution on December 16, 1996, which authorized Edward Pingle,

President of the credit union to pursue all of the necessary regulatory approvals to accomplish a conversion from federal to state charter.

Upon conversion, the provisions of IC 28 applicable to state chartered credit unions will govern Taper Lock. As a state chartered credit union, Taper Lock will be regulated by the Department of Financial Institutions and insured by the National Credit Union Share Insurance Fund. In order to convert to a state chartered credit union, Taper Lock must follow the conversion statutes contained with IC 28 and the Federal Credit Union Act.

Mr. Powell informed the Members that Department staff performed an examination of Taper Lock as of February 28, 1997. The following are the results of this examination:

1. Return on average assets - 1.43%
2. Three year average return on average assets - 1.19%
3. Net capital to assets - 12.10%
4. Delinquent loans to total loans - 1.21%
5. Allowance for loan loss was under-funded by \$17,523.00 (management has agreed to fund this deficiency).
6. The investment portfolio is relatively conservative with 98% of the portfolio in various financial institution certificates of deposit.

Overall, Taper Lock was considered to be sound with adequate capital and earnings and minimal asset quality problems. As a result of the examination, Taper Lock was assigned a "Satisfactory" CAMEL rating.

Mr. Powell informed the Members that the most recent external review of Taper Lock performed by Shull & Co. revealed no significant problems.

Mr. Powell informed the Members that the NCUA conducted a full scope examination of Taper Lock as of September 30, 1996. As a result of this examination Taper Lock was assigned a "Satisfactory" CAMEL rating by NCUA.

Mr. Powell informed the Members that it was determined by the Department staff that the proposed conversion of Taper Lock Employees Federal Credit Union to an Indiana state charter meets the requirements of IC 28-7-1-29. The Department's Report of Examination of the applicant and the investigation by the staff has concluded that the resulting Indiana state chartered credit union will be operated in a safe, sound, and prudent manner.

Based upon the aforementioned findings, the staff recommended that the proposed

conversion of Taper Lock Employees Federal Credit Union be approved.

After Mr. Powell's presentation, Mr. Hasten asked a question concerning the devaluation of component of the solvency evaluation ratio. Mr. Powell replied that the devaluation was a percentage of the classified loans. Mr. Hasten then asked a question concerning the disposition of dividends reflected on Taper Lock's balance sheet. Mr. Rice and Mr. Powell replied that the dividends are paid to the members of the credit union in much the same way as a bank would pay interest to its' depositors. Mr. Zaleski then asked a question as to where the losses of the credit union were being generated. Mr. Powell replied that the losses were loan losses and they could be generated by any type of loan that the credit union might make. Then Mr. Zaleski asked whether credit unions were experiencing an increase in personal bankruptcy filings. Mr. Powell replied that credit unions were seeing an increase in this area, as are all other financial institutions.

Mr. Smith made a motion for approval which was seconded by Mr. Zaleski. The motion to approve the conversion of Taper Lock Employees Federal Credit Union to Indiana state charter was unanimously approved.

5.) BEDFORD INDEPENDENT FEDERAL CREDIT UNION, BEDFORD, LAWERENCE COUNTY, INDIANA

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Bedford Independent Federal Credit Union (BIFCU) has applied to the Members of the Department of Financial Institutions for approval of their proposed conversion from a federal to a state charter (the new state chartered credit union will be named Hoosier Hills Credit Union). BIFCU is a federal credit union, chartered, regulated, and insured by the National Credit Union Administration (NCUA). As of March 31, 1997, BIFCU had total assets of \$103 million and total equity capital of \$7.4 million. The Board of Directors of BIFCU adopted a resolution on December 18, 1996, which authorized George McNichols, President of the credit union to pursue all of the necessary regulatory approvals to accomplish a conversion from federal to state charter.

Upon conversion, the provisions of IC 28 applicable to state chartered credit unions will govern BIFCU. As a state chartered credit union, BIFCU will be regulated by the Department of Financial Institutions and insured by the National Credit Union Share Insurance Fund. In order to convert to a state chartered credit union, BIFCU must follow the conversion statutes contained with IC 28 and the Federal Credit Union Act.

Mr. Powell informed the Members that Department staff performed an examination of BIFCU as of March 31, 1997. The following are the results of this examination:

1. Return on average assets - 0.90%
2. Three year average return on average assets - 0.93%
3. Net capital to assets - 6.83%

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4. Delinquent loans to total loans - 0.72%
5. Allowance for loan loss was under-funded by \$35,648.00 (management has agreed to fund this deficiency).
6. The investment portfolio is relatively conservative with 92% of the portfolio in various financial institution certificates of deposit.

Overall, BIFCU was considered to be sound with adequate capital and earnings and minimal asset quality problems. As a result of the examination, BIFCU was assigned a "Satisfactory" CAMEL rating.

Mr. Powell informed the Members that the most recent external review of BIFCU performed by Crowe Chizek and Co. LLP revealed no significant problems.

Mr. Powell informed the Members that the NCUA conducted a full scope examination of BIFCU as of January 31, 1996. As a result of this examination Taper Lock was assigned a "Satisfactory" CAMEL rating by NCUA.

Mr. Powell informed the Members that a review of the credit union's CUSO activity revealed that the Bedford Credit Union Services Corporation had lost \$13,848.00 for the first quarter of 1997, and had lost a total of \$90,091.00 since its inception. In discussions with BIFCU management staff was informed that a new manager for the CUSO had been hired and that he would start work on June 1, 1997. If the Financial Network Investment Corporation part of the CUSO is not profitable within twelve months it will be closed. However, the Auto Alliance part of the CUSO will remain open as it has always been profitable.

Mr. Powell informed the Members that the Department staff determined that the proposed conversion of Bedford Independent Federal Credit Union to an Indiana state charter meets the requirements of IC 28-7-1-29. The Department's Report of Examination of the applicant and the investigation by the staff has concluded that the resulting Indiana state chartered credit union will be operated in a safe, sound, and prudent manner.

Based upon the aforementioned findings, the staff recommended that the proposed conversion of Bedford Independent Federal Credit Union be approved.

After Mr. Powell's presentation, Mr. Hasten asked a question concerning the credit unions ability to grow in the future. Mr. McNichols replied that the credit union tries to return as much of the profit as possible to the members. The credit union has budgeted a return on assets of between .80% and .90% historically and has been able to meet those goals. The credit union is not as concerned as some other credit unions with being at peer concerning return on assets. Mr. Rice then pointed out that the credit union had a return on equity that exceeded its asset growth for several years, and that credit unions have a somewhat different view of profitability than do banks because of the Credit Union Act's mandate that credit

unions should educate members in the concepts of thrift and provide a source of credit at a fair and reasonable rate of interest.

Mr. Rice made a motion for approval which was seconded by Mr. Lowery. The motion to approve the conversion of Bedford Independent Federal Credit Union to Indiana state charter was unanimously approved.

Following the Bedford Independent Federal Credit Union presentation Mr. Phillips asked Mr. Powell to comment on the level of cooperation the National Credit Union Administration (NCUA) has been demonstrating with regard to the large number of conversions that have been taking place in Indiana recently. Mr. Powell replied that he has been pleasantly surprised by the cooperation that NCUA has been providing in the conversion process.

DIRECTOR'S COMMENTS AND REQUESTS

- A) **STATE BANK OF LIZTON, LIZTON, HENDRICKS COUNTY, INDIANA**
The bank notified the Department that they have closed the branch banking office which was known as the "**Jamestown Branch**" located at **2 West Main Street, Jamestown, Boone County, Indiana**. The branch office was closed on **June 3, 1997 @ 5:00 P.M.** **This item was for informational purposes only.**
- B) The Director advised the Members of actions pursuant to delegated authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:

DIVISIONS OF BANK AND TRUST COMPANIES

- 1) **KEYBANK NATIONAL ASSOCIATION, CLEVELAND, CUYAHOGA COUNTY, OHIO**
An application from KeyBank National Association ("KeyBank") was received by the Department on April 8, 1997, for admission as a foreign corporation to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. KeyBank intends to transact business as a national bank through branch offices in Indiana. KeyBank has appointed CT Corporation System, One North Capital Avenue, Indianapolis, Marion County, Indiana, as resident agent for service of legal process. **A Certificate of Admission was issued under Delegated Authority on May 29, 1997.**
- 2) **THE NEW WASHINGTON STATE BANK, NEW WASHINGTON, CLARK**

COUNTY, INDIANA

The bank has applied for approval to establish a branch banking office at **1435 Youngstown Shopping Center, Jeffersonville, Clark County, Indiana**. The application was received on May 8, 1997. The branch is to be known as the **"Jeffersonville Branch of the New Washington State Bank"**. The proposed branch is approximately 3,750 square feet. The bank plans on leasing the space from Youngstown Partners, L.P., Floyds Knobs, Indiana. The lease is for two years and requires monthly lease payments of \$1,900.00. Furniture, fixtures, and equipment are anticipated to cost \$23,000 and leasehold improvements are estimated at \$18,000.00. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank does not intend to offer teller services in the beginning, but may offer teller services in the future if the demand is there. According to the application, the facility will only have two loan officers and a secretary. If the bank is well received in the community, the bank will begin looking for a more suitable location to establish a full service branch. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the FDIC as of June 30, 1996. The bank's three-year average ROA is 1.22%. As of December 31, 1996, the Tier I leverage capital ratio is 8.30%. The investment in total fixed assets to total capital will increase from 21.34% before the proposed branch to 21.78% following the establishment of the branch. The bank will have four (4) branches after the establishment of this branch. **The Director approved this on May 15, 1997, under Delegated Authority.**

3) **COMERICA BANK, DETROIT, WAYNE COUNTY, MICHIGAN**

An application from Comerica Bank ("Comerica") was received by the Department on May 5, 1997, for admission as a foreign corporation to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. Comerica is incorporated as a Bank and Trust Company under and pursuant to the provisions of The Michigan financial institutions act of the State of Michigan. Comerica intends to solicit trust business through a third party and therefore will not have any offices in Indiana. Comerica has appointed CT Corporation System, One North Capital Avenue, Indianapolis, Marion County, Indiana, as resident agent for service of legal process. **A Certificate of Admission was issued under Delegated Authority on May 29, 1997.**

4) **FIRST OF AMERICA BANK-MICHIGAN, NATIONAL ASSOCIATION, KALAMAZOO, KALAMAZOO COUNTY, MICHIGAN**

An application from First of America Bank-Michigan, National Association ("FOA-Michigan") was received by the Department on May 19, 1997, for admission as a foreign corporation to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22 and IC 28-2-17. FOA - Michigan intends to transact business as a national bank in Indiana upon the consummation of a merger with First of America Bank-Indiana, ("FOA-Indiana") Indianapolis, Marion County, Indiana, pursuant to the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994. FOA-Michigan and FOA-Indiana entered

into a merger agreement dated May 27, 1997. FOA-Michigan intends to retain the main office and all existing branches of FOA-Indiana after the merger as its branches. FOA-Michigan has appointed Malcolm C. Pownall, 101 West Ohio Street, Indianapolis, Marion County, Indiana, as resident agent for service of legal process. **A Certificate of Admission was issued under Delegated Authority on May 29, 1997.**

5) **THE CITIZENS EXCHANGE BANK, FAIRMOUNT, GRANT COUNTY, INDIANA**

The bank has applied to the Director for approval to amend its Articles of Incorporation to reduce the number of authorized shares of common stock from one thousand eight hundred (1,800) to one thousand six hundred twenty-four (1,624). Reduction and cancellation of the one hundred seventy-six (176) shares is the result of bank's acquisition of the shares which was approved by action taken by the Director on December 19, 1996. **The Director approved this on June 5, 1997, under Delegated Authority.**

6) **SALIN BANK & TRUST COMPANY, INDIANAPOLIS, MARION COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located inside a Kroger grocery store at **601 East Dupont Road, Fort Wayne, Allen County, Indiana**. The application was received on May 28, 1997, and the branch is to be known as "**Salin Bank & Trust Company**". No insider relationship exists between any insiders of the bank and any of the parties involved. The branch site will be leased from The Kroger Company, Cincinnati, Ohio, for \$24,000 per year. The term of the lease is for five years. The estimated cost for furniture, fixtures, and equipment is \$50M and leasehold improvements are estimated at \$80M. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the DFI as of December 31, 1996. The bank's three-year average ROA is 1.21%. As of December 31, 1996, the Tier 1 leverage capital ratio is 9.13%. The investment in total fixed assets to total capital will increase from 18.51% before the proposed branches (see write-up below) to 19.19% after the investment in the branches. This will be the institution's twenty-second branch. **The Director approved this on June 5, 1997, under Delegated Authority.**

7) **SALIN BANK & TRUST COMPANY, INDIANAPOLIS, MARION COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located inside a Kroger grocery store at **821 Lincoln Highway West, New Haven, Allen County, Indiana**. The application was received on May 28, 1997, and the branch is to be known as "**Salin Bank & Trust Company**". No insider relationship exists between any insiders of the bank and any of the parties involved. The branch site will be leased from The Kroger Company, Cincinnati, Ohio, for \$24,000 per year. The term of the lease is for five years. The estimated cost for furniture, fixtures, and equipment is \$50M and leasehold improvements are estimated at \$80M. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the DFI as of December 31, 1996. The bank's three-

year average ROA is 1.21%. As of December 31, 1996, the Tier 1 leverage capital ratio is 9.13%. The investment in total fixed assets to total capital will increase from 18.51% before the proposed branches (see write-up above) to 19.19% after the investment in the branches. This will be the institution's twenty-third branch. **The Director approved this on June 5, 1997, under Delegated Authority.**

8) **1ST SOURCE BANK, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **801 West Wayne Avenue, Middlebury, Elkhart County, Indiana**. The application was received on May 29, 1997, and the branch is to be known as **"1st Source Bank"**. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank will lease approximately 1,800 sq. ft. from AEJA Industrial Sewing, Mishawaka, Indiana, for \$2,500 per month. The term of the lease is for five years with two, three year renewal options. The estimated cost for furniture, fixtures, and equipment is \$174M and leasehold improvements are estimated at \$87M. The bank received a satisfactory CAMEL rating as a result of a joint examination conducted by the FRB and DFI as of March 31, 1996. The bank's three-year average ROA is 1.29%. As of December 31, 1996, the Tier 1 leverage capital ratio is 8.45%. The investment in total fixed assets to total capital will increase from 12.87% before the proposed branch to 13.13% after the investment in the branch. This will be the institution's forty-third branch. **The Director approved this on June 5, 1997, under Delegated Authority.**

9) **THE FIRST-CITIZENS BANK & TRUST COMPANY, GREENCASTLE, PUTNAM COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay cash dividends of \$539,000 in June, \$539,000 in September, and \$539,000 in December to its holding company, Old National Bancorp, Evansville, Indiana. The bank is projecting net income of \$2,155,000 and Tier 1 capital of 9.00% for 1997. As of December 31, 1996, the bank's Tier I capital ratio is 9.18% and ROA is 1.15%. The bank's average three-year ROA is approximately 0.89%. **The Director approved this on June 5, 1997, under Delegated Authority.**

1) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Remin Laboratories, Inc. - Joliet, IL - 85 members
Better Business Bureau of Northwest Indiana, Inc. - Gary - 12 members
National Processing Company - East Chicago - 200 members
Central Rent-A-Crane, Inc.- Hammond - 80 members
The Jesus Shoppe - Gary - 5 members
Family Rescue, Inc. - Chicago - 70 members
Center Garage, Inc. - Cedar Lake - 18 members
Rich Construction Company, Inc. - Dyer - 17 members
South Holland Metal Finishing Co., Inc. - South Holland, IL - 50 members
McColly REALTORS/Better Homes and Gardens - Crown Point - 350 members
Terry Dittrich C/P - Hammond - 25 members
Romar Cabinet & Top Co., Inc. - Lockport, IL - 90 members
Management & employees of the Gary Housing Authority - Gary - 200 members
Krafft & Co. P.C., CPA's - Merrillville - 7 members
Herald News Group - Merrillville - 50 members
Management and employees of the Town of Merrillville - Merrillville - 150 members
Northwest Indiana Ventures - Roselawn - 3 members
Vector Engineering & Manufacturing Corp. - Whiting - 25 members
Wabash Avenue Medical Clinic, Inc. - Gary - 10 members
Akzo Nobel Resins and Vehicles - Matteson, IL - 58 members
Riverdale Plating & Heat Treating, Inc. - Riverdale, IL - 69 members
Reichhold Chemicals, Inc. - Morris, IL - 97 members
Unibulk - East Chicago - 30 members
Furmanite, Inc. - Merrillville - 50 members
Crown Feed & Supply, Inc. - Crown Point - 8 members
Sinter Metals, Inc. Chicago - Richton Park, IL - 65 members
Management and employees of Calumet Council, Boy Scouts of America
Munster - 20 members
Residential Clinical Services, Inc. - Merrillville - 42 members
LB Steel Plate Co. - East Chicago - 78 members
National Recovery Systems - East Chicago - 70 members
Employees of the Town of Cedar Lake - Cedar Lake - 39 members
Management and employees of Planned Parenthood Assoc. of Northwest/Northeast Indiana, Inc. - Merrillville - 65 members
Management and employees of the Supervisor's Country Club - Hobart - 47 members
Pestmasters Exterminating Co. - Chicago - 17 members

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Teamsters Union Local No. 142 - Gary - 5,500 members
Haire Machine Corp. - Merrillville - 10 members
Tom Haire, Inc. - Merrillville - 17 members
Universal Trading Co. - Merrillville - 20 members
ark Bass Nissan, Inc. - Joliet, IL - 35 members
Leavitt Tube Co., Inc. - Chicago - 350 members
MECA Engineering Corp. of America - East Chicago - 45 members
Szymanski Construction, Inc. - Gary - 8 members
Southeastern Medical Centers, S.C. - Chicago, IL - 52 members
Nur-Staff, Inc. - Merrillville - 200 members
R.F. Trucking, Inc. - Gary - 10 members
Management and employees of Lowell Baptist School - Lowell - 12 members
Management and employees of Youche Country Club - Crown Point - 48 members
Nur-Staff Home Health Care of Indiana, Inc. - Merrillville - 4 members
Davies Imperial Coatings, Inc. - Hammond - 35 members
Acutus Gladwin - Gary - 125 members
Management and employees of Hoosier Boys' Town - Schererville - 85 members
Steiber, Rueth & Co., P.C. CPA's - Munster - 6 members
Management and employees of Hanover Township Trustee's office
Cedar Lake - 4 members
Management and employees of Porter County Council on Aging and Community Services
Inc. - Valparaiso - 43 members
Robert Neises Construction Corp. - Crown Point - 40 members
Metropolitan Builders of America, Inc. - Gary - 15 members
Dawn Food Products - Crown Point - 120 members
Management and employees of Franciscan Homes & Community Services (d/b/a St.
Anthony Home) - Crown Point - 580 members
Ferree Movers & Storage, Inc. - Crown Point - 20 members
Pozzo Mack Sales & Service, Inc. - Gary - 33 members
Industrial Machine Corp. - Crown Point - 20 members
Funny Bone Clown Alley, #103 - Merrillville - 31 members
Legal Services of Northwest Indiana, Inc. - Gary - 16 members
Van Gard Vault Co., Inc. & RidgeLawn & Mt. Mercy Cemetery - Griffith - 50 members
North lake Nursing & Rehabilitation Center, L.L.C. - Merrillville - 166 members
Franciscan Holding Corp. - Crown Point - 26 members
Family Practice Network, Inc. - Crown Point - 72 members
Medical Business Office - Schererville - 77 members
Gary Camera & Video - Merrillville - 11 members
Shaffer Hyundai, Inc. - Merrillville - 22 members
Fleming, Bates & Barber Ins., Inc. - Crown Point - 13 members
Century 21 Heritage, Inc. - Merrillville - 65 members
TravelCenters of America - Gary - 150 members
T&M Equipment Co., Inc. - Merrillville - 36 members

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Vancom/Laidlaw-Gary - Gary - 320 members
Sunrise, Inc. - DeMotte - 20 members
St. John Animal Clinic - St. John - 7 members
Fazio Insurance - Joliet, IL - 5 members
US Steel Family Medical Center - Merrillville - 65 members
Coldwell Banker Corning Realtors - Crown Point - 30 members
Circle W Tractor & Equipment Co., Inc. - Lockport, IL - 13 members
Burns Funeral Home and Crematory - Crown Point - 26 members
Northwest Indiana Spinal Surgery, P.C. - Merrillville - 7 members
Members of St. Sava Serbian Orthodox Church - Merrillville - 650 members
A & B Manufacturing Co., Inc. - Crown Point - 42 members
De Graff Construction - DeMotte - 2 members
Management and employees of Lake County Farm Bureau Cooperative Assn, Inc.
Crown Point - 18 members
Members of Christ Presbyterian Church - Crown Point - 175 members
Management and employees of Crown Point Christian Church
Crown Point - 18 members
Mostardi-Platt Assoc., Inc. - Elmhurst, IL - 35 members
Vidmar Buick-Hyundai-Isuzu - Joliet, IL - 46 members
Marchio Fence Co., Inc. - Joliet, IL - 14 members
Mac & Dewey Apparel for Men, Inc. - Hammond - 5 members
Uncle Bob's Auto Body - Dolton, IL - 1 member
MPI Label Systems of Illinois - University Park, IL - 25 members
Lake Cycle - Merrillville - 15 members
Ryder Student Transportation Services, Inc. - Crest Hill, IL - 250 members
The Director approved this on May 5, 1997, under Delegated Authority.

2) **TELCO CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Adminiserve, Inc. - Greenwood - 100 members
American Art Clay Co., Inc. - Indianapolis - 60 members
Beam, Longest & Neff, Inc. - Indianapolis - 104 members
Belcan TechServices - Indianapolis - 200 members
C.R. Powell Excavating, Inc. d/b/a B & B Excavating - Avon - 14 members
Calderon Textiles, Inc. - Indianapolis - 40 members
Cellular One - Indianapolis - 420 members
Churchill Downs Sports Spectrum - Indianapolis - 65 members
Hubler Dodge, Inc. - Indianapolis - 75 members
INDesign, LLC - Indianapolis - 35 members

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Morris Machine Co., Inc. - Indianapolis - 46 members
R.L. Turner Corp. - Zionsville - 105 members
Suburban Health Organization - Indianapolis - 36 members
Tetra Pak Parts Americas, Inc. - Greenwood - 14 members
Tetra Pak Processing Systems America, Inc. - Greenwood - 17 members
Weihe Construction, Inc. - Noblesville - 59 members

The Director approved this on May 5, 1997 under Delegated Authority.

3) INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Clarian Health Partners, Inc. - Indianapolis - 10,500 members
Best Carpet & Tile, Inc. - Indianapolis - 20 members

The Director approved this on May 6, 1997, under Delegated Authority.

4) TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Analytical ChemTech International, Inc. - Indianapolis - 5 members
South Bend English Institute - South Bend - 16 members
Literacy Council of St. Joseph County - South Bend - 3 members
M&V Professional Cleaning - Goshen - 5 members
Custom Woodworking - Crawfordsville - 1 member
Brick Chapel Preschool - Greencastle - 2 members
Sure Dry Waterproofing - Indianapolis - 20 members
Pane Clean, Inc. d/b/a Hoosier State Window Cleaning & metal Maintenance
Indianapolis - 17 members
Plumbers & Pipefitters Local #172 - South Bend - 460 members
Market Strategies, Inc. - South Bend - 10 members
Crest Manor Church of the Brethren - South Bend - 110 members
Family Service Association of Central Indiana, Inc. - Indianapolis - 42 members
K&K, Inc. - Mishawaka - 2 members
Party City, Inc. - Indianapolis - 3 members
21st Century News Rack Reconditioning - South Bend - 3 members
Jaguar Tours, Inc. - South Bend - 1 member

The Director approved this on May 13, 1997, under Delegated Authority.

5) **PERFECT CIRCLE CREDIT UNION, HAGERSTOWN, WAYNE COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Cinram, Inc. - Richmond - 550 members

Gold Star Coatings, Inc. - Richmond - 42 members

The Director approved this on May 19, 1997, under Delegated Authority.

6) **INDIANA POSTAL & FEDERAL EMPLOYEES CREDIT UNION, FORT WAYNE, ALLEN COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Indiana Family & Social Services Administration (Division of Disability, Aging & Rehabilitative Services and Division of Family and Children) - Indianapolis - 1,360 members

Chauffeurs, Teamsters and Helpers, Local Union No. 414 - Fort Wayne - 3,000 members

The Director approved this on May 20, 1997, under Delegated Authority.

7) **INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Operative Plasterers' & Cement Masons' Local # 692 - Indianapolis - 1,000 members

Rocky Mountain Retail Systems, Inc. - Boulder, CO - 3 members

Central Indiana Paralegal Service, Inc. - Indianapolis - 6 members

Best Lock Corporation - Indianapolis - 623 members

The Director approved this on May 21, 1997, under Delegated Authority.

8) **INDIANA TELCO CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

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BQ Products, Inc. - Beech Grove - 25 members
Leisure Lawn, Inc. - Indianapolis - 39 members
Park Tudor School - Indianapolis - 175 members
Pate's Pool Service and Supply, Inc. - Indianapolis - 20 members
Tri-Ax, Inc. - Indianapolis - 100 members
Genrich and Dicken Laminate and Solid Surface, Inc. - Indianapolis - 4 members
Lacy & Company - Fishers - 10 members
The Director approved this on May 23, 1997, under Delegated Authority.

9) ANDERSON POST OFFICE CREDIT UNION, ANDERSON, MADISON COUNTY, INDIANA

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Indiana Factory Shops - Anderson - 15 members
Professional Home Care - Anderson - 45 members
Sonitrol - Anderson - 15 members
J.L. Turner Remodeling - Anderson - 4 members
Westfield Post Office - Westfield - 16 members
TCI Cable and TCI Media Services - Anderson - 105 members
The Director approved this on May 27, 1997, under Delegated Authority.

10) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

CHILDERS Welding and Repair - New Lenox, IL - 1 member
Urbasek & Associates, Inc. - Joliet, IL - 7 members
Rolling Meadows Farm, Inc. - Crown Point - 6 members
Romanco Publishers - Lansing, IL - 2 members
South Lake Homes, Inc. - Merrillville - 7 members
East Chicago Machine Tool Corporation - Crown Point - 100 members
Bivona, Inc. - Gary - 196 members
Wheels, Inc. dba All Tune and Lube - Merrillville - 8 members
Dyer Fraternal Order of Police - Dyer - 21 members
Crown Electronics - Crown Point - 23 members
Wendt Bros. Drugs, Inc. - Crown Point - 25 members
Dawn Food Products, Inc. - Munster - 50 members
Gariup Construction Co., Inc. - Gary - 75 members

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Tube City, Inc. - Gary - 72 members
Alert Alarm, Inc. - Merrillville - 18 members
Brown's Professional Services - Gary - 8 members
Kenwal Steel Co. - Gary - 60 members
C&H Medical Transportation - Gary - 33 members
Ad Craft Printers, Inc. - Merrillville - 11 members
Merrillville First Church of the Nazarene - Merrillville - 164 members
Art Handley & Associates, Inc. - Crown Point - 5 members
Financial Servicercenter Corp. - New Lenox, IL - 4 members
TemPro Services - Merrillville - 50 members
Health Care & Retirement Corp. - Homewood, IL - 127 members
Nason's Appliance Co., Inc. - Crown Point - 9 members
J&R Security Guard Service Co. - Joliet, IL - 50 members
K. Dennison M.D. Surgical Corp. - Merrillville - 4 members
Evorik Electric, Inc. - Crown Point - 10 members
Burnham Avenue Dairy Queen - Calumet City, IL - 16 members
Williamsburg Dental Center - Merrillville - 9 members
Murer Consultants, Inc. - Joliet, IL - 15 members
T. Clifford Fleming & Assoc., P.C. - Merrillville - 6 members
Jefferson Smurfit Corp. - Crown Point - 24 members
Health Care Ventures, LTD - Merrillville - 22 members
Small World Child Care and Family Center - Merrillville - 15 members
Popa Sheet Metal, Inc. - Highland - 10 members
Hayes Roofing, Inc. - Hobart - 10 members
Lear Corp. - Hammond - 250 members
Nielsen Buick/Jeep/Subaru - Gary - 54 members
Town & Country Christian Church - Crown Point - 500 members
Gary Community School Corporation - Gary - 3,316 members
The Director this on May 27, 1997, under Delegated Authority.

11) **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

S.O.S. Electric, Inc. - Zionsville - 2 members
Tech Data (South Bend Distribution Center) - South Bend - 250 members
B V Doors - Walkerton - 2 members
Top Cat B-BQ & Seafood - South Bend - 4 members
Petro's GM Showplace - Warsaw - 50 members
Wiegand's Gun Service - Cloverdale - 8 members
F and S Properties - South Bend - 2 members

Sam's Club - Indianapolis - 135 members

The Director approved this on June 3, 1997, under Delegated Authority.

CONSUMER CREDIT DIVISION

- 1) American Liberty Capital Corporation is requesting a consumer loan license. Applicant is based in Newport Beach, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed through a title company. They currently operate in California. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 2) American Mortgage Source, Inc. is requesting a consumer loan license. Applicant is based in Nashville, TN. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed through a title company. They currently operate in five states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 3) American Payday Loans, Inc. is requesting a consumer loan license. Applicant is based in Fort Wayne. Home office is in Oklahoma. Loans in Indiana will be made at one location in Indianapolis and three in Fort Wayne. They will be making payday loans. They currently operate in four states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 4) Classic Financial Corporation is requesting a consumer loan license. Applicant is based in Tustin, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed through a title company. They currently operate in four states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 5) Consolidated Home Loans, Inc. is requesting a consumer loan license. Applicant is based in Vista, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in California. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 6) D. Dion Winn d/b/a Diamond Cash Advance is requesting a consumer loan license. Applicant is based in Portland, IN with branches in Bluffton and Hartford City. They will be making payday loans. They are also applying for a check cashing license. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 7) Equiprime, Inc. is requesting a consumer loan license. Applicant is based in Birmingham, AL. They will be making second mortgage loans. They will not be servicing their loans. Loans

will be closed by a title company. They currently operate in four states and are an affiliate of First Federal Bank of Tuscaloosa, AL. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**

- 8) Equity Direct Mortgage Corp. is requesting a consumer loan license. Applicant is based in Laguna Hills, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in seven states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 9) The Huntington Mortgage Company is requesting a consumer loan license. Applicant is based in Columbus, OH. Loans in Indiana will be made at Indianapolis and Lafayette. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed at their locations or by a title company. They currently operate in 49 states and are a wholly owned subsidiary of Huntington National Bank. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 10) Midwest America Financial Corporation is requesting a consumer loan license. Applicant is based in Chicago, IL. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. Applicant is also a registered loan broker in Indiana. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 11) Mr. Money, Inc. is requesting a consumer loan license. Applicant is based in Louisville, KY. They will not be servicing their loans. Loans will be closed by a title company. They will be closing Indiana second mortgage loans in Kentucky. As such, a loan license is not required. However, they want it for possible future use. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 12) P & P Tanaka; L & B Guyot d/b/a Pawn Unlimited is requesting a consumer loan license. Applicant is based in Evansville, IN. They will be making payday loans. They are also applying for a pawnbroker license. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 13) The Payday Loan Center, Inc. is requesting a consumer loan license. Applicant is based in Indianapolis, IN. They will be making payday loans. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 14) Primestar Financial Corporation is requesting a consumer loan license. Applicant is based in Chicago, IL. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in Illinois. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**

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- 15) Southern Atlantic Financial Services, Inc. is requesting a consumer loan license. Applicant is based in Atlanta, GA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in eight states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 16) The Moneystation, Inc. is requesting a consumer loan license. Applicant is based in Indianapolis with one branch office in addition to the main location. They will be making second mortgage loans. They are a registered loan broker in Indiana. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 17) Vicksmetal/Armco Associates is requesting a consumer loan license. Applicant is based in Frankfort, IN. They will be making general financing - short-term, employee loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 18) Freedom Mortgage Corporation d/b/a Western Freedom Mortgage Corporation is requesting a consumer loan license. Applicant is based in Salt Lake City, UT. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in over 40 states. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 19) Blythe's Redi Cash Pawn is requesting a pawnbroker license. Applicant is based in Griffith, IN. They are currently licensed as a pawnbroker (004-183). Due to the father's retirement, a new corporation has been formed. Roger Blythe will continue as CEO. Former pawn license will be surrendered. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 20) Bradley Hyde d/b/a Connersville Pawn & Jewelry is requesting a pawnbroker license. Applicant is based in Connersville, IN. Applicant has been working for a pawnbroker in Greenfield. Personal interview with applicant on 4/8/97. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 21) P & P Tanaka; L & B Guyot d/b/a Pawn Unlimited is requesting a pawnbroker license. Applicant is based in Evansville, IN. The manager has prior experience at another Indiana pawnbroker. All reference comments were positive. No problems found in background. Applicant has also applied for a loan license for payday loans. Field Supervisor Bane and Division Supervisor Tarpey interviewed Manager Pat Tanaka and Louis Guyot. They seemed very willing to comply with all state and local ordinances. Applicant is recommended for approval.
The Director approved this on May 7, 1997, under Delegated Authority.

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- 22) American Payday Loans, Inc. is requesting a check cashier license. Applicant is based in Fort Wayne with a home office in Oklahoma. Licensee will have a location in Indianapolis and three in Fort Wayne. They will be cashing all types of checks. All references are in order. Fees will be 2%, not to exceed \$5. Applicant has also applied for a loan license to make payday loans. They currently operate in Kansas, Nebraska, and Missouri. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 23) D. Dion Winn d/b/a Diamond Cash Advance is requesting a check cashier license. Applicant is based in Portland, IN. Licensee will have locations in Bluffton and Hartford City. They will be cashing all types of checks. Fees will be a statutory max of 10% or \$5. Applicant is also applying for a consumer loan license for payday loans. Applicant is recommended for approval. **The Director approved this on May 7, 1997, under Delegated Authority.**
- 24) American Star Mortgage, Inc. is requesting a consumer loan license. Applicant is based in Indianapolis. They will be making small downpayment loans on second mortgages. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 25) Cash Indiana, Inc. is requesting a consumer loan license. Applicant is based at Chesterton, IN. Loans in Indiana will be made at Michigan City (2) and Lake Station. They will be making payday loans. They will be servicing their loans and are currently licensed as a pawnbroker. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 26) Credit Mortgage, Inc. is requesting a consumer loan license. Applicant is based at San Diego, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in California, Colorado, and Utah. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 27) DMR Financial Services, Inc. is requesting a consumer loan license. Applicant is based in Southfield, MI. Loans in Indiana will be made at Fort Wayne and Avon. They will be making second mortgage loans. They will be servicing their loans. They currently operate in Michigan and Illinois. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 28) Equity Financing Corporation is requesting a consumer loan license. Applicant is based in Oak Lawn, IL. They will be making second mortgage loans. They will be servicing their loans. They currently operate in Illinois. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**

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- 29) Express Cash Advance, Inc. is requesting a consumer loan license. Applicant is based in Winchester, IN. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 30) J.D.A., Inc. d/b/a Fast Payday Loans is requesting a consumer loan license. Applicant is based in Batesville, IN. They will be making payday loans. They will be servicing their loans. Ownership is partially the same as LL #1302, 1397, and 1405. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 31) Fidelity Mortgage, Inc. d/b/a Fidelity Mortgage of Ohio, Inc. is requesting a consumer loan license. Applicant is based in Cincinnati, OH. Loans in Indiana will be made in Indianapolis. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in Ohio. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 32) First National Home Finance Corp. is requesting a consumer loan license. Applicant is based in San Diego, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be made by a signing service. They currently operate in Colorado, Oregon, and Utah. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 33) P.M.B. Enterprises, Inc. d/b/a Just-Til-Payday Cash Advance is requesting a consumer loan license. Applicant is based in Yorktown, IN. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 34) Koach's Kash Station, Inc. is requesting a consumer loan license. Applicant is based in Mishawaka, IN. They will be making payday loans and have applied for a pawnbroker license also. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 35) Lam Estate Corp. is requesting a consumer loan license. Applicant is based in Santa Ana, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in four states. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 36) Money Lender Mortgage Corp. is requesting a consumer loan license. Applicant is based in Indianapolis, IN. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. Applicant is recommended for approval.

The Director approved this on June 9, 1997, under Delegated Authority.

- 37) National Equity, Inc. d/b/a National Equity, Inc. of Missouri is requesting a consumer loan license. Applicant is based in St. Louis, MO and will be making auto loans through licensed insurance agents of American National who are based in Indiana. They will be servicing their loans. They currently operate in three states and are a wholly owned subsidiary of Bremon Bancorp of St. Louis. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 38) Old Stone Funding Group, Inc. is requesting a consumer loan license. Applicant is based in Rancho Cucamonga, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company or attorneys. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 39) B.D.T., Inc. d/b/a Quik Payday Loans is requesting a consumer loan license. Applicant is based in Greencastle, IN and ownership is partially the same as LL #1302, 1397, and 1405. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 40) The Mortgage Team, Inc. is requesting a consumer loan license. Applicant is based in Englewood, CO. Loans in Indiana will be made at Indianapolis. They will be making second mortgage loans. They will not be servicing their loans. Loans will be made at a location in Indianapolis. They currently operate in three other states. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 41) Koach's Kash Station, Inc. is requesting a pawnbroker license. Applicant is based in Mishawaka, IN. The manager will be William Kiel and he has good references. Owners formerly owned a rentto-own business in Indiana. Field Supervisor Benbow and Division Supervisor Tarpey interviewed the husband and wife who are principal officers of the corp and the future manager. Interview was very positive. Applicants gave every indication of complying with all state and local ordinances. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**
- 42) Alcove Roofing and Siding, Inc. d/b/a Mr. Cash Pawn is requesting a pawnbroker license. Applicant is based in Indianapolis. Field Supervisor Bane and Division Supervisor Tarpey interviewed President of company and manager of the proposed business. Both have some Pawnbroker experience in Texas. Interview was very positive. Applicants gave every indication of complying with both state and local ordinances. Applicant is recommended for approval. **The Director approved this on June 9, 1997, under Delegated Authority.**

- 43) First American Insurance Company is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Kansas City, MO. There is a contractual liability policy approved by the Indiana Department of Insurance. The initial creditor requesting approval is Weatherhead Federal Credit Union. First American will be offering the program to financial institutions and auto dealers. The terms of the agreement cover 1) Maximum charge to customer is \$350. 2) Rebate upon prepayment-Rule of 78'ths. 3) Deductible up to \$500 is covered. 4) 30-day free-look period. 5) Complies with truth-in-lending disclosure. 6) Waiver of subrogation by company. All future dealers will agree to abide by the same terms as those approved. They will be offering the program to financial institutions and auto dealers. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202(1)(c) and 3-202(1)(e). **The Director approved this on June 9, 1997, under Delegated Authority.**

APPROVED:

ATTEST:

Mark Hasten, Chairman

J. Philip Goddard, Secretary